

Case Study: Transportation & Logistics

Delivering Digital Automation for PostNord

European logistics and delivery company embraces RPA to streamline finance and accounting, eliminate revenue loss, improve efficiency and speed customer service.

Cognizant has a long-standing agreement to provide digital finance and accounting services to Scandinavian postal service and logistics provider PostNord AB, one of Europe's largest public/private shipping providers.

Formed through the 2009 merger of Sweden's postal service Posten AB with Denmark's Post Danmark, PostNord wanted to improve internal processes by eliminating operational redundancies. Cognizant was asked to identify how non-core financial and accounting processes could be performed more efficiently, helping the state-owned entity meet cost reduction and revenue enhancement targets.

At a Glance

Implementing RPA in the finance function at PostNord resulted in:

- 75% lower AHT for customer service, boosting forecast SLAs to 98%.
- 90% automation of invoice processing and dispute resolution.
- Improved productivity, saving ~40,000 person-hours across functions.
- Decreased working capital requirements by more than €10 mm.

The Challenge

The merger of two entities to form PostNord brought together organizations with similar business models but different enterprise resource planning (ERP) systems. The organization lacked end-to-end monitoring and full control over order information flows. There were also incomplete statuses on customer bills and supplier invoices.

This was leading to information “fallout” in AR and AP. Revenue leakage was significant—up to €10 million annually—while unnecessary demands were being placed on customer service representatives to answer vendor inquiries about the timing of payments and to request customer payments that were overdue. Average turnaround time for handling inquiries was as long as 15 business days.

The Approach

PostNord and Cognizant joined forces to streamline customer invoicing, and Cognizant provided support through the use of analytics and digital solutions to accelerate receipt of customer payments and to improve how it captured information from invoices so vendors could be paid in a timely way.

Solutions along three vectors: General accounting, AR and AP

PostNord’s finance function leadership team worked with Cognizant to determine how the company could achieve efficiencies by implementing RPA to automate iterative processes, and by outsourcing other tasks to an offshore service center that maintained best practices at a lower cost.

We implemented RPA in three finance and accounting areas: AP, AR and general accounting. First, we reviewed front-office processes, conducting calibration sessions with customer service agents. We created an automated robotic “gatekeeper” capability to screen inbound queries for commonly asked questions before forwarding

them to customer service. Alongside this, we established an internal knowledge repository to capture and record exceptions, to speed responsiveness.

Second, we improved collections by identifying why PostNord’s billing was experiencing revenue leakage. We examined every process step from order to fulfillment for every line of the company’s retail and commercial services. We asked process owners to identify gaps in how purchases were recorded at the transaction level and why information was being lost when transferred between systems. We prioritized process automation, so transactions were uniformly tracked and consolidated before information was conveyed to the ERP, and we made a series of improvements to eliminate information loss and revenue losses. We implemented BlackLine software to simplify reconciliations.

Third, we examined how PostNord was resolving disputes about incorrect balances due. The entity’s standard pricing was often discounted as a result of volume orders or negotiated contracts, but such exceptions to its systems were not always accurately recorded. We built a mini-“bot” to automate manual steps in recording transactions then set a standard template to map actual quoted prices, date of purchase, and origin postal code, to have the same information available to all sales and front-office personnel as they investigated conflicting information in invoices.

Business Outcomes

We helped PostNord overcome inefficiencies in its systems, helping integrate operations while freeing it to reassign human resources to resolving more complex problems and improve customer and vendor relations.

We implemented 17 individual “bots” to realize operational improvements, automating invoice processing and dispute resolution by 90%, realizing a 15% improvement in capacity utilization for

existing personnel, cutting AHT for customer service inquiries by 75%, boosting forecast SLA to 98%, and decreasing working capital requirements by an estimated €10 million. We delivered an annual productivity boost of 40,000+ person-hours, freeing the company to change staffing levels and reassign front-office staff to higher value activities.

Now a trusted strategic partner and advisor to PostNord with respect to finance and accounting processes, Cognizant is advising PostNord on the future journey of developing harmonized, efficient and high quality process solution.

Learn more

To learn more about our Digital Finance & Accounting solution, visit <https://www.cognizant.com/digital-finance-and-accounting-solutions>.

About Cognizant

Cognizant (Nasdaq-100: CTSI) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 194 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us [@Cognizant](https://twitter.com/Cognizant).



World Headquarters

300 Frank W. Burr Blvd.
Suite 36, 6th Floor
Teaneck, NJ 07666 USA
Phone: +1 201 801 0233
Fax: +1 201 801 0243
Toll Free: +1 888 937 3277

European Headquarters

1 Kingdom Street
Paddington Central
London W2 6BD England
Phone: +44 (0) 20 7297 7600
Fax: +44 (0) 20 7121 0102

India Operations Headquarters

#5/535 Old Mahabalipuram Road
Okkiyam Pettai, Thoraipakkam
Chennai, 600 096 India
Phone: +91 (0) 44 4209 6000
Fax: +91 (0) 44 4209 6060

APAC Headquarters

1 Changi Business Park Crescent
Plaza 8@CBP # 07-04/05/06
Tower A, Singapore 486025
Phone: + 65 6812 4051
Fax: + 65 6324 4051